

## Message Text

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PAGE 01 STATE 216735  
ORIGIN EB-08

INFO OCT-01 EUR-12 EA-12 IO-14 ISO-00 SIG-03 STR-07  
ITC-01 TRSE-00 COME-00 L-03 H-02 CIAE-00 INR-10  
NSAE-00 /073 R

DRAFTED BY EB/OT/STA:WTDIROLL:JH  
APPROVED BY EB/OT/STA:TO'HERRON  
-----111724 252202Z /61

R 251903Z AUG 78  
FM SECSTATE WASHDC  
TO AMEMBASSY COPENHAGEN  
AMEMBASSY THE HAGUE  
AMEMBASSY BRUSSELS  
AMEMBASSY BONN  
AMEMBASSY PRAGUE  
AMEMBASSY WARSAW  
AMEMBASSY BUCHAREST  
AMCONSUL HONG KONG  
AMEMBASSY TAIPEI  
AMEMBASSY STOCKHOLM  
AMEMBASSY ROME  
AMEMBASSY PARIS  
USMISSION GENEVA

UNCLAS STATE 216735

ALSO FOR USOECD AND USEEC

E.O. 11652:N/A

TAGS: ETRD

SUBJECT: CLOTHESPINS -- USITC TO DETERMINE EFFECT OF  
IMPORTS ON DOMESTIC INDUSTRY

1. FOLLOWING IS TEXT OF USITC NOTICE, PUBLISHED IN THE  
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FEDERAL REGISTER OF AUGUST 3, ANNOUNCING THAT ON JULY 27  
THE COMMISSION HAD INSTITUTED AN INVESTIGATION TO DETERMINE  
WHETHER UNITED STATES PRODUCERS ARE ELIGIBLE FOR ASSISTANCE  
UNDER THE IMPORT RELIEF PROVISIONS OF TITLE II OF THE  
TRADE ACT OF 1974 (BEGIN TEXT):

ACTION: INITIATION OF AN INVESTIGATION UNDER SECTION 201

OF THE TRADE ACT OF 1974.

SUMMARY: THIS ACTION INITIATES AN INVESTIGATION UNDER SECTION 201 OF THE TRADE ACT OF 1974 TO DETERMINE WHETHER CLOTHESPINS PROVIDED FOR UNDER ITEMS 790.05, 790.07, AND 790.08 OF THE TARIFF SCHEDULES OF THE UNITED STATES (TSUS), ARE BEING IMPORTED INTO THE UNITED STATES IN SUCH INCREASED QUANTITIES AS TO BE A SUBSTANTIAL CAUSE OF SERIOUS INJURY, OR THE THREAT THEREOF, TO THE DOMESTIC INDUSTRY PRODUCING ARTICLES LIKE OR DIRECTLY COMPETITIVE WITH THE IMPORTED ARTICLES.

THIS INVESTIGATION WAS INSTITUTED BY THE COMMISSION ON ITS OWN MOTION ON JULY 27, 1978, ON THE BASIS OF INFORMATION COLLECTED IN CONNECTION WITH COMMISSION INVESTIGATION NOS. TA-406-2, TA-406-3 AND TA-406-4, CONDUCTED UNDER SECTION 406(A) OF THE TRADE ACT OF 1974 CONCERNING CLOTHESPINS FROM THE PEOPLE'S REPUBLIC OF CHINA, THE POLISH PEOPLE'S REPUBLIC, AND THE SOCIALIST REPUBLIC OF ROMANIA.

PUBLIC HEARING ORDERED: A PUBLIC HEARING IN CONNECTION WITH THIS INVESTIGATION WILL BE HELD IN PORTLAND, MAINE, AT 10 A.M., E.D.T., ON THURSDAY, OCTOBER 5, 1978. THE PLACE OF THE PORTLAND HEARING WILL BE ANNOUNCED LATER.

REQUESTS FOR APPEARANCE AT THE HEARING SHOULD BE RECEIVED  
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IN WRITING BY THE SECRETARY OF THE COMMISSION AT HIS OFFICE AT THE U.S. INTERNATIONAL TRADE COMMISSION, 701 E STREET, N.W., WASHINGTON, D.C. 20436, NOT LATER THAN NOON, FRIDAY, SEPTEMBER 29, 1978.

THERE WILL BE A PREHEARING CONFERENCE IN CONNECTION WITH THIS INVESTIGATION WHICH WILL BE HELD IN ROOM 117 OF THE U.S. INTERNATIONAL TRADE COMMISSION BUILDING AT 701 E STREET, N.W. WASHINGTON, D.C., AT 10 A.M., E.D.T. ON FRIDAY, SEPTEMBER 29, 1978.

WRITTEN SUBMISSIONS: IN LIEU OF OR IN ADDITION TO APPEARANCES AT THE PUBLIC HEARINGS, INTERESTED PERSONS MAY SUBMIT WRITTEN STATEMENTS. ANY BUSINESS INFORMATION WHICH A SUBMITTER DESIRES THE COMMISSION TO TREAT AS CONFIDENTIAL SHALL BE SUBMITTED ON SEPARATE SHEETS, EACH CLEARLY MARKED AT THE TOP "CONFIDENTIAL BUSINESS DATA." CONFIDENTIAL SUBMISSIONS MUST CONFORM WITH THE REQUIREMENTS OF SECTION 201.6 OF THE COMMISSION'S RULES OF PRACTICE AND PROCEDURE (19 C.F.R. 201.6). ALL WRITTEN SUBMISSIONS, EXCEPT FOR CONFIDENTIAL BUSINESS DATA, WILL BE MADE AVAILABLE FOR INSPECTION BY INTERESTED

PERSONS. TO BE ASSURED OF CONSIDERATION BY THE COMMISSION, WRITTEN STATEMENTS SHOULD BE SUBMITTED AT THE EARLIEST PRACTICABLE DATE, BUT NO LATER THAN OCTOBER 16, 1978. ALL SUBMISSIONS SHOULD BE ADDRESSED TO THE SECRETARY AT THE COMMISSION'S OFFICE IN WASHINGTON, D.C. (END TEXT).

2. THE INVESTIGATIONS MENTIONED IN THE SUMMARY OF THE NOTICE CONCERNING IMPORTS FROM THE PEOPLE'S REPUBLIC OF CHINA, THE POLISH PEOPLE'S REPUBLIC AND THE SOCIALIST REPUBLIC OF ROMANIA WERE INITIATED TO DETERMINE WHETHER CLOTHESPINS FROM THOSE COUNTRIES WERE CAUSING MARKET DISRUPTION WITH RESPECT TO SUCH ARTICLES PRODUCED BY THE DOMESTIC INDUSTRY. FOR THE PURPOSES OF SECTION 406

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OF THE TRADE ACT, MARKET DISRUPTION IS DETERMINED TO EXIST WITHIN A DOMESTIC INDUSTRY WHENEVER IMPORTS OF AN ARTICLE, LIKE OR DIRECTLY COMPETITIVE WITH AN ARTICLE PRODUCED BY SUCH DOMESTIC INDUSTRY ARE INCREASING RAPIDLY, EITHER ABSOLUTELY OR RELATIVELY, SO AS TO BE A SIGNIFICANT CAUSE OF MATERIAL INJURY, OR THREAT THEREOF, TO SUCH DOMESTIC INDUSTRY. SECTION 406 IS CONCERNED SOLELY WITH IMPORTS OF AN ARTICLE WHICH IS THE PRODUCT OF A COMMUNIST COUNTRY AND ANY ACTION WHICH MIGHT BE PROPOSED UNDER THAT SECTION WOULD ONLY AFFECT IMPORTS FROM SUCH A COUNTRY. IN CONTRAST, SECTION 201 IS CONCERNED WITH THE EFFECT OF AGGREGATE IMPORTS (IRRESPECTIVE OF SOURCE), AND WHETHER SUCH IMPORTS ARE A SUBSTANTIAL CAUSE OF SERIOUS INJURY TO A DOMESTIC INDUSTRY.

3. ON AUGUST 3 THE USITC REPORTED TO THE PRESIDENT THE EXISTENCE OF MARKET DISRUPTION WITH RESPECT TO THE IMPORTATION OF CLOTHESPINS FROM THE PEOPLE'S REPUBLIC OF CHINA AND PROPOSED THAT HE PROVIDE RELIEF IN THE FORM OF A QUANTITATIVE LIMITATION IMPOSED ON IMPORTS FROM THAT COUNTRY FOR A PERIOD OF FIVE YEARS. AT THE SAME TIME IT REPORTED THAT MARKET DISRUPTION DID NOT EXIST WITH RESPECT TO THE IMPORTATION OF CLOTHESPINS FROM EITHER POLAND OR ROMANIA. AN INTERAGENCY WORKING GROUP IS NOW REVIEWING THE PROPOSED QUOTA ACTION AND WILL FORMULATE A RECOMMENDATION FOR CONSIDERATION BY THE PRESIDENT.

4. THE COMMISSION IS EXPEDITING ITS SECTION 201 INVESTIGATION AND WILL REPORT TO THE PRESIDENT ON NOVEMBER 21. POSTS WILL BE ADVISED OF SIGNIFICANT DEVELOPMENTS.

5. COPIES OF USITC SECTION 406 REPORT, WHICH CONTAINS  
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EXTENSIVE INFORMATION ON THE CLOTHESPIN SITUATION,  
AIRPOUCHED TO ADDRESSEE POSTS. CHRISTOPHER

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ORIGIN EB-08

INFO OCT-01 ISO-00 /009 R

66011

DRAFTED BY:EB/OT/STA:W T DIROLL

APPROVED BY:EB/OT/STA: T F O'HERRON

-----107160 021804Z /43

R 021000Z SEP 78

FM SECSTATE WASHDC

TO USLO PEKING

UNCLAS STATE 216735

FOL STATE 216735 SENT ACTION COPENHAGEN THE HAGUE BRUSSELS  
BONN PRAGUE WARSAW BUCHAREST HONG KONG TAIPEI STOCKHOLM  
ROME PARIS GENEVA AUG 25, 1978

QUOTE UNCLAS STATE 216735

ALSO FOR USOECD AND USEEC

E.O. 11652:N/A

TAGS: ETRD

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OF THE TRADE ACT, MARKET DISRUPTION IS DETERMINED TO EXIST WITHIN A DOMESTIC INDUSTRY WHENEVER IMPORTS OF AN ARTICLE, LIKE OR DIRECTLY COMPETITIVE WITH AN ARTICLE PRODUCED BY SUCH DOMESTIC INDUSTRY ARE INCREASING RAPIDLY, EITHER ABSOLUTELY OR RELATIVELY, SO AS TO BE A SIGNIFICANT CAUSE OF MATERIAL INJURY, OR THREAT THEREOF, TO SUCH DOMESTIC INDUSTRY. SECTION 406 IS CONCERNED  
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5. COPIES OF USITC SECTION 406 REPORT, WHICH CONTAINS EXTENSIVE INFORMATION ON THE CLOTHESPIN SITUATION, AIRPOUCHED TO ADDRESSEE POSTS. CHRILTOPHER UNQUOTE VANCE

NOTE BY OC/T: ORIGINAL DIST: EUR,EA,IO,ISO,EB/SIG,STR,ITC,TRSE, COME,L,H,INTE.  
UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
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**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** IMPORTS, INDUSTRY, TEXT, LAW, DIPLOMATIC COMMUNICATIONS, INVESTIGATIONS, FOREIGN ASSISTANCE  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 25 aug 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
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**Disposition Approved on Date:**  
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**Subject:** CLOTHESPIN -- USITC TO DETERMINE EFFECT OF IMPORTS ON DOMESTIC INDUSTRY  
**TAGS:** ETRD, USITC  
**To:** COPENHAGEN THE HAGUE MULTIPLE  
**Type:** TE  
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**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014